



Quality is Our Bottom Line

Connecticut Association of Health Plans

Tuesday, September 25, 2012

Testimony Regarding

**Program Review & Investigations Committee Study
Insurance Assessment Methodology and Process**

The Connecticut Association of Health Plans appreciates the opportunity to provide comment on the Program Review & Investigation study regarding the Insurance Assessment Methodology & Process.

As submitted earlier this year when SB 20 was under consideration in the Insurance & Real Estate Committee, the Connecticut Association of Health Plans remains concerned about the serious retaliatory tax implications for Connecticut carriers that operate in multiple states if the Department of Insurance assessment is changed to apply to non-domestic carriers in addition to domestic carriers which would significantly compromise some of our state's largest employers.

Passage of the proposal may also cause the unintended consequence of decreasing tax revenues received by Connecticut from non-domestic insurers that currently pay Connecticut a retaliatory tax as the assessment would enable them to reduce their retaliatory tax burden to the state.

Furthermore, continued stability and predictability of revenue impact remain key to fostering a positive business climate in Connecticut and we would strongly urge that the current assessment methodology remain as currently structured.

Thank you for your consideration.